When it pays to buy organic

Illustration by Rafael Lopez

Which apple? The decision doesn't end once you've figured out whether to buy, say, the McIntosh or the Red Delicious. In many food stores across the country, you're also faced with the more vexing question of buying organic or conventional, and not just at the apple bin. All kinds of organic fruits, vegetables, meats, poultry, eggs, cooking oils, even cosmetics are crowding store shelves.

For many shoppers, the decision often comes down to money. On average, you'll pay 50 percent extra for organic food, but you can easily end up shelling out 100 percent more, especially for milk and meat. Nevertheless, organic products are one of the fastest-growing categories in the food business. Nearly two-thirds of U.S. consumers bought organic foods and beverages in 2005, up from about half in 2004. While some buy organic to support its producers' environmentally friendly practices, most are trying to cut their exposure to chemicals in the foods they eat.

Critics argue that we're wasting our money because there's no proof that conventially produced foods pose significant health risks. Now, however, there are many new reasons to buy organic. First, a growing body of research shows that pesticides and other contaminants are more prevalent in the foods we eat, in our bodies, and in the environment than we thought. And studies show that by eating organic foods, you can reduce your exposure to the potential health risks associated with those chemicals.

Second, we found many ways to add more organic products to your shopping list without busting your budget. For one thing, you don't have to buy organic across the board. The truth is, not all organic-labeled products offer added health value. We found, for example, that it's worth paying more for organic apples, peaches, spinach, milk, and beef to avoid chemicals found in the conventionally produced versions of those items. But you can skip organic asparagus and broccoli because conventional varieties generally have undetectable pesticide levels. You can also pass on organic seafood and shampoo, which have labels that are often misleading. (See When buying organic pays (and doesn't).)

Moreover, we found that you need not pay a premium for organic foods if you know where to shop. See our tips below for ways to cut your organic-food tab.

But you should also be aware that as more consumers are turning to organic products, some of the country's largest food producers are trying to chip away at what organic labels promise to deliver.

CR Quick Take

Nearly two-thirds of consumers bought organic products in the past year, despite higher prices.

- The good news: New studies show that by eating organic food, you can greatly reduce your exposure to chemicals found in conventionally produced food.
- More good news: You don't have to clean out your wallet to buy organic foods if you know which ones to buy and where.
- The bad news: As more big players enter the organic market, government standards have come under attack. So it's more important than ever to understand food labeling and what's behind it.

ORGANIC FOOD FIGHT

If the organic label conjures up images of cackling chickens running free in a field and pristine vegetables without a trace of pesticides, keep reading. While the organic label indicates that a product meets certain government standards, those standards are coming under pressure as big companies cash in on the growing demand for organic foods. H. Lee Scott Jr., chief executive of Wal-Mart Stores, has described organic as "one of the fastest-growing categories in all of food and in Wal-Mart."

During the past decade, U.S. organic sales have grown 20 percent or more annually. Organic food and beverage sales are estimated to have topped $15 billion in 2004, up from $3.5 billion in 1997. Sales are projected to more than double by 2009.

"Consumer spending on organic has grown so much that we've attracted big players who want to bend the rules so that they can brand their products as organic without incurring the expenses involved in truly living up to organic standards," says Ronnie Cummins, national director of the Organic Consumers Association, an advocacy group based in Finland, Minn.

Lobbying by large food companies to weaken organic rules started when the U.S. Department of Agriculture fully implemented organic labeling standards in October 2002. Food producers immediately fought the new rules. A Georgia chicken producer was ultimately able to persuade one of his state's congressional representatives to slip through a federal legislative amendment in a 2003 appropriations bill to cut its costs. The amendment stated that if the price of organic feed was more than twice the cost of regular feed--which can contain heavy metals, pesticides, and animal byproducts--then livestock producers could feed their animals less costly, nonorganic feed but still label their products organic.

That bizarre change in standards was repealed in April 2003 after consumers and organic producers protested, but the fight to maintain the integrity of organic labeling continues. In October 2005, Congress weakened the organic-labeling law despite protests from more than 325,000 consumers and 250 organic-food companies. The law overturns a recent court ruling that barred the use of synthetic ingredients in "organic" foods. It mostly affects processed products such as canned soups and frozen pizza.

The Massachusetts-based Organic Trade Association (OTA), which represents large and small food producers including corporate giants such as Kraft Foods and Archer Daniels Midland Co., supported the amendment. "The issue is whether processed products could use a list of benign synthetic ingredients already approved by the National Organic Standards Board," says Katherine DiMatteo, executive director of the OTA, "and we do not believe standards will be weakened at all."

Not all organic producers agree, however. Executives at Earthbound Farm, which has been in the organic business for more than 20 years and

is the nation's leading supplier of specialty organic salad greens, were startled to find their company's name on an OTA letter supporting the amendment. Earthbound objects to built-in "emergency exemptions" that would allow nonorganic ingredients in organically labeled food if the organic alternative is considered "commercially unavailable." As with the Georgia chicken-feed case, if organic corn is expensive because it's in short supply, a soup maker might argue that it is commercially unavailable and get an exemption to use nonorganic corn.

"This presents a risk to the integrity of the organic label that we would have preferred not to see," says Charles Sweat, chief operating officer at Earthbound Farm. (For more on the issue, see our February 2006 Viewpoint report.)

Other changes in the organic industry are occurring more quietly in the farm fields. Wal-Mart alone gobbles up so much of the organic dairy supply that some producers that have historically accounted for the bulk of organic products on the market haven't been able to meet the new demand. Suppliers filling the gap are doing so in part by exploiting loopholes in the organic rules, some consumer advocates say.

Organic Valley, a Wisconsin-based national cooperative of farmers that had been one of Wal-Mart's primary suppliers of organic milk, ended that direct relationship at the end of 2004. "When the first U.S. case of mad cow was discovered in a dairy cow at the end of 2003," says Theresa Marquez, chief marketing executive at Organic Valley, "demand for organic milk spiked and we've been in a short-supply situation ever since, with demand growing at 25 percent annually and supply growing at only 10 percent."

With supplies limited, Marquez says, the company decided to "stay true to our mission" and give top priority to filling orders from natural-food markets, its oldest customers, leaving it to Horizon Organic and other large competitors to "duke it out figuring out how to service Wal-Mart."

Horizon Organic is an organic dairy company that was acquired in 2003 by Dean Foods, the leading U.S. dairy processor. Its operations range in size from a 12-cow farm in Vermont to a 4,000-cow operation in Idaho, where animals may be confined in outdoor corrals and given organic feed, grasses, and hay. They graze in open pastures only on a rotating basis instead of primarily grazing in open pastures, as cows are required to do on farms that supply Organic Valley.

Current federal regulations state that organically raised animals must have access to pasture and may be "temporarily confined only for reasons of health, safety, the animal's stage of production, or to protect soil or water quality." But that vague language allows large producers to cut corners and compromise on what consumers expect from organic food, consumer advocates say.

The regulations also leave open questions about whether dairy animals could have been treated with antibiotics or consumed feed containing genetically modified grain or animal byproducts prior to becoming part of an organic dairy farm.

Horizon says it uses no antibiotics or growth hormones in its organic herd, though it can't control what animals eat before they arrive there. And the company says it plans to upgrade its Idaho farm to offer more pasture by 2007. In the meantime, Horizon says, its cows are being kept in good health and treated humanely. "We permit cows to exercise and exhibit natural behaviors," says Kelly Shea, director of government and industry relations at Horizon. "We would never support lowering the standards."

WHAT'S IN THE FOOD

So what can you count on when you buy organic? No animals, except dairy cows prior to being moved to organic farms, can be given antibiotics, growth hormones, or feed made from animal byproducts, which can transmit mad cow disease. No genetic modification or irradiation is permitted, nor is fertilizer made with sewage sludge or synthetic ingredients, all of which are allowed in most conventional food production.

Organically raised animals must also have access to the outdoors, though it might simply mean that cattle are cooped up in outdoor pens. The rules governing poultry are even less stringent than for other livestock. Some "organic" chickens, for example, spend their short lives confined in coops with screen windows.

Organic fruits and vegetables are farmed with botanical or primarily nonsynthetic pest controls quickly broken down by sunlight and oxygen, instead of long-lasting synthetic chemicals. Organic produce sometimes carries chemical residues because of pesticides that are now pervasive in groundwater and rain, but their chemical load is much lower.

According to the Environmental Working Group (EWG), a research and advocacy organization in Washington, D.C., eating the 12 most contaminated fruits and vegetables exposes you to about 20 pesticides a day on average. If you eat the 12 least contaminated, you're exposed to about two pesticides a day. (For more on the health issues associated with pesticides, see Chemical health risks.)

Joseph Rosen, a professor of food science at Rutgers University, says that when it comes to pesticide exposure, "the amount in conventional foods is so low that it's not a health threat." Richard Wiles, senior vice president at the EWG, on the other hand, says that the cumulative effect of even low-level multiple pesticide exposures is both worrisome and little studied at this point.

BUYING ORGANIC ON THE CHEAP

If you decide that you'd prefer fewer chemicals and other additives in your food, the choice isn't an easy one. Organic sticker shock can hit the most stalwart of organic shoppers. The fact is that organic farmers produce more labor-intensive products and don't enjoy the economies of scale or government subsidies that their big brothers in agribusiness do. But we found many ways to save on the cost of organic products.

Comparison shop. Do a price check among local grocery stores for often purchased organic items and shop where you find the lowest prices. In the New York City area, for example, we found a 4-ounce jar of Earth's Best organic baby food for as little as 69 cents and as much as $1.29. When it comes to fresh produce, remember that you'll save by buying it in season.

Go local. You can find organic growers at most farmer's markets, anda USDA study in 2002 found that about 40 percent of those farmers don't charge a premium. For listings of local farmer's markets and other sources, go to *www.ams.usda.gov/farmersmarkets* and

www.localharvest.org .

Join the farm team. Buy a share in a community-supported organic farm and you'll get a weekly supply of produce from spring until fall. The cost to feed a family of four generally ranges from $300 to $500 for the season. (Some farms also require you to work a few hours a month distributing or picking produce.) The savings can be substantial. A price study by a community-supported farm in the Northeast showed that the average $10 weekly cost for a shareholder's produce supply almost always beat farmer's market organic prices and often cost less than the same nonorganic items at a supermarket. Go to *www.sare.org* for a list of community-supported farms.

Order by mail. National providers will ship items such as organic beef (*www.mynaturalbeef.com*). Some local businesses, such as FreshDirect (*www.freshdirect.com*) in the New York City area and Pioneer Organics (*www.pioneerorganics.com*) in the Pacific Northwest, offer home deliveries. Other helpful sites are at *www.eatwellguide.org* and *www.theorganicpages.com* .

Be a supermarket spy. Make sure you get what you pay for by watching where produce sits on shelves. All grocers are legally required to stack organic fruits and vegetables where they won't be exposed to water runoff from the misting of conventional produce, which could contaminate organic items with pesticide residue. If a store is not following that rule, you may be wasting your money by buying organic produce there.